



DPA SUBMITS UPDATED TOTAL COMPENSATION RECOMMENDATION

BY JEFF SCHUTT

DIRECTOR, DPA DIVISION OF HUMAN RESOURCES

On January 7, DPA Executive Director Jeff Wells submitted an updated Total Compensation Recommendation letter to Governor Owens and Representative Brad Young, Chair of the Joint Budget Committee. The updated recommendation continues our support for new employee compensation, our commitment to the Total Compensation Reform Act, and our longer-term strategy to reach prevailing total compensation, and it strikes what the Department considers a better balance for the entire workforce:

The department will continue to make total compensation a priority until the state meets its statutory obligation to offer a competitive total compensation to its employees. Based on the current budget challenges, we feel that this recommendation maximizes the state's investment in the workforce and helps us meet our obligation. We understand that the new recommendation also raises some questions:

TOTAL COMPENSATION RECOMMENDATION and ESTIMATED COST FY 2004-05	
Components	Cost
Salary Adjustment of 2% for Performers	\$22.4 million *
Range Minimum Adjustment Cost	\$0.8 million *
PBP Cost	\$12.5 million *
Combined Health, Life & Dental Cost	\$8.3 million
Total Cost	\$44 million

* Including PERA and Medicare Cost

Why is there now support for the 2% salary adjustment? After a year in which the workforce received no compensation increases, the Director felt it was important to provide such an increase for all employees who meet performance expectations – and not neglect those employees who do not take the state's health benefits.

Does this new recommendation mean getting to prevailing contribution levels for benefits is less important? Absolutely not. It is still imperative that the state move toward providing competitive contributions toward group benefit plans. While the new recommendation does not move levels as aggressively, funding levels go from approximately 44% to 56%, and it is still the intent to get levels to prevailing within five years.

What does the range minimum adjustment cost mean? After providing a 2% increase to all employees who meet performance expectations, some employees will still fall below the job range minimums for their classifications. The range minimum adjustment will be used to move those employees up to range minimum – after the 2% increase.

Are all employees eligible for a performance award from the \$12.5 million slated for performance-based pay? This year, only employees who are rated at level 3 or 4 will be eligible for such awards. By limiting the awards to employees rated at level 3 or 4, these

- 2.4 Million for a 2 percent salary adjustment for all employees who meet performance expectations and an additional \$800,000 to bring those employees who will still be below salary range minimums up to the minimum. After a year of no effective salary increases, it is prudent to provide this salary adjustment for the morale of the entire state workforce.
- \$12.5 Million for meaningful performance awards that provides the mechanism to move the most successful employees upwards within salary ranges and recognizes performance as the means for doing so.
- \$8.3 Million for the state's contributions to group benefit plans. This helps address the critical issue of rising health care premiums, and, as the chart below shows, closes our current health care contribution gap and brings us closer to prevailing practice.

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BULLETIN NEWS BRIEFS

- The proposed administrative procedures and the statement of basis, specific statutory authority and purpose for the February 5, 2004 rulemaking hearing are available for review at 1600 Broadway, Suite 1030, Denver, Colorado 80202 and 1313 Sherman Street, Room 122, Denver, Colorado 80203 and on the Web. **NOTE: Proposed changes will NOT include a move from four to three rating levels for the performance pay system.**
- The official notice of performance pay system changes and other rules changes is available at www.colorado.gov/dpa/dhr. The hearing is set for Thursday, February 5, 2004, from 9 am - 12 pm at 1313 Sherman, Rm 318. For more information contact Pat Romero at 303-866-5383 or pat.romero@state.co.us.
- Updated State Personnel Board Rules, effective December 31, and Director's Administrative

Procedures, effective January 1 are available on the web. In addition to some housekeeping changes, the changes pertain to the Voluntary Separation Incentive Program (VSIP) and overtime.

- C-SEAP will be holding the following anger education classes: In Pueblo on February 12th, 26th, March 11th and 25th 10:30 am – 12 pm. For more information about the location of, or to register for the Pueblo classes, call 719-549-3079. In Denver on March 3, 10, 17, & 24 from 8:30 am – 10:30 am at 225 E. 16th Avenue, Suite 600. Please call 303-866-4314 to register.

To learn more about these and other human resources, risk management, benefits, and C-SEAP policies and issues, go to www.colorado.gov/dpa/dhr ("News") and be sure to check the "News Archive" section under "Quick Links."



THE GOVERNOR'S STAR AWARDS - 2004

Recognize the merits of a colleague or group of colleagues with a STAR Award nomination. Instructions, Award Descriptions and Nomination Forms are available online at www.colorado.gov/dpa/dhr.

Nominations **MUST BE** received no later than 5 p.m., Wednesday, March 10, 2004. Nominations received after the deadline or without the necessary approval will **NOT be accepted**. If you have questions regarding nomination submissions, contact Jacque Morley at 303-866-2393 or Judy Giovanni at 303-866-2024.

Award presentations will be made at the annual Governor's STAR Awards Luncheon, held this year on May 12th, from 11 am – 2 pm at the Adam's Mark Hotel.

REFRESHER ON INJURY LEAVE

BY LAURIE BENALLO
STATE FMLA COORDINATOR

Applying the state's various leave policies can be confusing, especially when more than one type of leave applies. Add workers' compensation into the mix and the process becomes even more complicated. The purpose of this article is to clarify the state's current injury leave policy and define the responsibilities of state agencies in administering injury leave.

Here is how the process works. First, an employee must have an on-the-job injury or illness. On the date of injury, the employee reports the condition to a supervisor, who must complete the employer's first report of injury on the Pinnacol website. (Note: This can also be done by a workers' compensation liaison if that is the agency's practice). The employee then goes to see a designated workers' compensation health provider.

For illustration, let's say the employee is diagnosed with a repetitive motion condition. The designated provider schedules the employee for treatment three times a week and releases the employee to return to work with restrictions. The employee reports back to work and notifies the supervisor and workers' compensation liaison of the restrictions and treatment schedule. Once the employee misses 24 hours of work because of the condition, the workers' compensation liaison must notify Pinnacol, in writing, of the lost number of work hours. (After an accumulation of 24 hours of absence, the claim has become a lost time claim.) At this point the employee becomes eligible for wage replacement and injury leave begins. Pinnacol will automatically send any temporary total disability (TTD) payments directly to the state agency. The state agency in turn, pays the employee his regular wages under injury leave.

The state agency, not Pinnacol, is responsible for tracking the injury leave because it is the state's leave policy, not a workers' compensation benefit. Each day that any work time is missed due to the injury, an occurrence of injury leave is charged. At least every two weeks, the agency's workers' compensation liaison reports to Pinnacol, in writing, the number of hours lost due to the employee's claim. Once 90 absences have occurred, the workers' compensation liaison must notify Pinnacol, in writing, that injury leave is completed. Pinnacol will then begin sending TTD payments directly to the employee and make whole begins. When the employee reaches maximum medical improvement (MMI) and returns to work, the workers' compensation liaison must also notify Pinnacol immediately, in writing, of the employee's return.

Points to remember:

- In order to manage claims effectively, communication with Pinnacol is critical. Don't wait until the injury leave is exhausted to provide information.
- Only permanent employees, including probationary

employees, are eligible for injury leave.

- Injury leave is only granted if an injury is compensable under workers' compensation. After Pinnacol has determined that the injury is work related, it is our responsibility to decide when injury leave applies and to notify Pinnacol when 24 hours of absence have occurred.
- The date of injury is considered an entire day of work regardless of how much time the employee actually works.
- Injury leave is counted by the occurrence not the number of hours. An occurrence is charged whether an absence is 15 minutes or 8 hours in duration. Pinnacol reports that this is not applied consistently across agencies.
- Workers' compensation does not pay for the first three days lost to an injury unless the injury extends beyond 14 days or an accumulation of 80 hours of absence. Employees are charged sick and/or annual leave for the first three days. If the injury extends beyond the 14 days, the sick or annual leave is restored and the absences charged to injury leave.
- Even though TTD benefits are paid on a 7-day schedule, injury leave applies only to days an employee is absent from normally scheduled to work.
- If the work-related illness or injury also qualifies under the FMLA, the leave should be appropriately designated and counted concurrently against any family/medical leave entitlement.
- After injury leave is exhausted, the employee is "made whole" using sick and annual leave in an amount closest to the difference between the workers' compensation payment and gross base salary, excluding any pay premiums and differentials. While the employee is being made whole, family/medical leave cannot be counted.
- Eligible employees should also be advised to apply for short-term disability benefits and leave as soon as it is obvious the absence will be significant. (Although benefits will be coordinated, it preserves eligibility for STD leave.)
- Carefully review your calculations of when injury leave is ending. Once the end date is reported to Pinnacol, no adjustment to this date can be made without legal action.

Please review your injury leave and workers' compensation practices to make sure absences are being counted correctly and that Pinnacol is provided accurate information on the claim in a timely manner. Miscalculations or failure to provide information can greatly increase your workers' compensation costs.

If you have questions about applying the injury leave policy, please contact Laurie Benallo at 303-866-4247 or laurie.benallo@state.co.us.

CAN YOU HANDLE REJECTION?

BY BRAD MALLON
DHR WORKFORCE STAFFING & CONSULTING UNIT

Human resources professionals get lots of feedback from unhappy customers who have received formal letters that go something like this:

Thank you for your recent application for the position of Program Administrator I.

Your application was reviewed by professionals who determined that you do not meet the minimum qualifications of a college degree and five years professional experience in the field. We regret that we cannot invite you to the next stage of testing for this position. You have a great resume and we hope you apply for another state job. Please make sure you read the minimum qualifications carefully before you apply.

While most of our customers accept their rejection with a sigh and a bank shot into the closest round file, a significant number head for the phone to call the "professional" who determined that they don't measure up. Their usual complaints, often delivered with barely disguised annoyance and anger, fall mostly into these four categories:

1. I don't understand how you could reject me and I certainly can't tell from your trite little letter.
2. I think something is going on down there that you are not telling the public about because if I am not qualified for that job then nobody is!
3. You have clearly made a mistake in reviewing my application because over the years I have amassed far more experience than you are requiring.
4. If your announcement had not been written in such bureaucratic mumbo jumbo, I would have included the information you say you were looking for.

When human resource professionals get calls like this, it is difficult not to react defensively. "Yes Sir, we read your application very carefully! Yes Ma'am, your degree in International Relations from Harvard is very impressive! Yes Sir, the position really is open competitive! I'm sorry, Ma'am, that our announcement was not written more clearly!"

Most of the time reason prevails and the caller is helped to a place of understanding, if not contentment. In a few cases, no explanation seems to work and the caller hangs up feeling aggrieved and ready to write to the Personnel Director to appeal. In this case, both sides get to exercise their skills in formal exposition as they prepare and submit their appeal documents. Then it is the Personnel Director's job to respond, also at length and in writing,

and many weeks after the disagreement first arose.

Having seen more than a couple of these disputes, it occurs to me that a lot of them could be avoided altogether. If we could at least avoid the complaints based on misunderstandings and hurt feelings, we could use everyone's time better by focusing on the decisions that really may have violated state standards. Here are a few ideas that might improve things:

- Most people who disagree with your professional decision want an identifiable human being to reassure them that no mistake was made in reviewing their applications. Talk to the aggrieved party. If at all possible, talk face to face. Inviting the rejected applicant to call you directly, right in the rejection letter itself, will often get these problems sorted out quickly and cleanly. If the first call does not get to the bottom of the issue, do not give up! If the customer will not listen to you, bring in a colleague or a supervisor. Our customers appreciate the time you give their concerns, whether they remember to tell you so or not. They will usually come around to seeing things your way if you try hard to help them understand why you made the decision you made.
- People, both within and outside the state's personnel system, are suspicious about our process and who may be controlling it. Many appeals hint at pre-selection, or a rigged exam process, or just come right out and claim that the whole thing is fixed. While our examination and selection processes are overwhelmingly clean and professional, the complainant may need to hear you say that before he or she will believe it. Sometimes, selection processes are delayed, accelerated or changed in order to meet the demands of an appointing authority. In these cases, it may appear to our unsuccessful applicants that "politics" is manipulating the system to reach a predetermined outcome. Your detailed explanation of what really happened will clarify their understanding and restore their faith in our personnel system and in your professionalism.
- Sometimes, words get in the way of understanding. For example, when we announce that professional experience is required, applicants may think to themselves, "That fits me! I have always worked with professionals and acted very professionally." When

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DHR IMPLEMENTS REORGANIZATION TO HELP MEET STRATEGIC HR GOALS

BY MARK GELBAND

DHR EMPLOYEE RELATIONS & COMMUNICATIONS

Effective February 1, DHR has reorganized to address staff cutbacks and the recent retirements of Ken Allikian and Jan Cotter, and to help become better aligned with its longer-term strategic HR initiatives: the full implementation of Total Compensation; Civil Service Reform; and getting the information systems to support greater employee self-service and a move from transactional HR to strategic HR.

The Professional Development Center, Workforce Staffing & Consultants Unit, and Consulting Services Unit will now be grouped together to support all Workforce Planning & Development needs. As such, these units will be pivotal in the analysis and assessment necessary to maximize organizational effectiveness, recruitment, selection, retention, performance management, training and development, and change management.

The former Total Compensation Team and Employee Benefits Unit will now report to Karen Fassler as part of the larger Total Compensation Systems Group. This group

will also hire a Total Compensation Strategist to analyze current compensation strategies and promote best-practice approaches for helping the state reach its total compensation philosophy.

Risk Management & C-SEAP will comprise the Business Risk and Loss Control Management Group, helping DHR integrate a strategic business risk approach to its larger strategic HR goals. As noted in a recent article, David Kaye has been hired to the newly created Associate Director Position and will oversee all HR programs. Mediation, appeals, rules, employee relations and communications will continue to reside in the Director's Office.

The internal alignment of resources may continue to change to address the rapidly changing nature of our business. DHR remains committed to meeting its customers' needs and attaining its longer-term goal of becoming an organization more capable of helping the state meet its strategic human resources needs.

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the rejection letter arrives and they are informed they do not have the necessary "professional experience," at least in the way we define the term, applicants may feel that we do not respect them. Complaints quickly follow.

This kind of misunderstanding can be avoided by using definitions and examples in our announcements. One Colorado university was recently seeking a professional student counselor with two years of experience. A graduate student responded, who said he had four years of professional experience counseling his fellow students while he was employed as a student assistant in the English department at his college. He was very disappointed to learn that the university required a professional counselor (one who has an assured competence in the counseling field) with two years of full time experience. Often from our customers' point of view, we could do a better job of spelling out just exactly what skills and competencies we want.

Most state job announcements are lengthy, especially when compared to job announcements put out by the private sector. In addition, state job categories often appear pretty broad, as if just about anyone would qualify. "General Professional" and "Program Assistant" come to mind. Some of our customers become confused when they see an announcement for an important sounding job with a good salary that has

low minimum qualifications and lots of general experience substitutions. The result is that they think they are a cinch to get offered the job when in reality they will be lucky, in most cases, to ever even meet the hiring authority for an interview. When these heightened expectations are dashed, disillusion and appeals for reconsideration often follow.

State HR professionals generally get high marks for their work with our customers. But we can do better. Clear and detailed information, written for maximum understanding, will usually satisfy even the most demanding job seekers and generate the quality of applicants needed. At the same time we could de-emphasize resolving misunderstandings through appeals. Our job announcements would be clearer and more useful to our customers this way. When we, or they, do suffer a misunderstanding, direct communication is likely to rectify the situation. Speed is also important for both sides, since mistaken assumptions that are left unresolved can and often do lead to anger and poor decision-making. Practice cutting through the red tape and the hurt feelings the next time a question pops up. Meet with complainants. Satisfy their concerns by showing them you are a professional in whose thoughtful judgment they can trust. After all, only one person gets hired in the end and no one likes to be the one who gets to handle the rejection.

For more information contact Brad Mallon at brad.mallon@state.co.us.

PROBLEMS? A USER-FRIENDLY APPROACH TO FINDING SOLUTIONS

BY TERRI GORMAN, L.C.S.W.
C-SEAP COUNSELOR

Problems are, and probably always will be, abundant in both our work and personal environments. We rise to the challenge on a daily basis of solving problems from small, fairly insignificant matters to those of major impact not only on ourselves, but also on others. Whether our problems are personal, or work-related, we can choose to develop solutions individually, with the assistance of others, or we can work in a group format. Tailor the process to suit your preferences, as well as the situation.

While we will not rid ourselves of problems (nor should we want to) we can change our own cognitions on how we perceive problems. The natural tendency is to view a problem as a negative intrusion. Something that gets in our way; an obstacle that we initially may try to go around, or even deny its presence, however glaring it may be. We may consider problems a drain of our precious time and energy. However, when we reframe our thinking to view problems as a positive opportunity - an avenue to greater success, a learning process in which we utilize and develop skills and talents to exercise creativity - we are far less inclined to ignore or go around a problem. Indeed, we are more inclined to embrace the problem and work toward solutions in an efficient, hands-on fashion.

Once you have adapted this new viewpoint concerning problems, consider asking others for help. Recruit individuals directly involved, and, when appropriate, solicit assistance from others who may not be involved at all, but who have proven problem-solving abilities. Begin by designating a time and place that will eliminate, or at least minimize distractions and interruptions. Of course, limiting distractions is easier said than done in today's busy world, but do so to the greatest extent possible to facilitate focus and make better use of time. Now, enter the process with an open mind to the outcome, and request that the other participants (if you have chosen to include others) do the same.

Start by acknowledging and defining the problem. This will promote a comfort level in working with the problem. However, don't dwell on this step. The value is in a fact-based account of the problem, not in explaining why or how the problem came about. This step is an easy place to lose focus. There may be an urgency to put the problem in an historical context, or to verbalize the reasons for the problem. Another natural tendency is to resist and struggle with the problem creating unnecessary conflict. Some participants may even choose a position of resignation rather than exploring solution options. Finally, there often exists a need to assign blame, as if that alone would make the problem disappear. When the focus of defining the problem is fact-based, this step will take less time and effort to complete thus moving on to solution possibilities. Maintain a written record of the definition of the problem for reference.

At this point move away from discussing the problem and begin brainstorming solutions. A good way to facilitate the brainstorming is to restate the problem as a question. This will help move from expressing what is wrong to how will we make it work, and invites answers to the question. When working within a group or with others, be certain that the climate of the discussion fosters an accepting atmosphere for contribution by the participants. Incorporate active and reflective listening. Be receptive, but also question meaning, while assessing for supportive evidence and logic. Allow expression of ideas without interruption, and pause to process the ideas before responding. Encourage candor, and keep the emphasis on understanding, as opposed to agreement at this point. When brainstorming there is no right or wrong. Be aware of all or nothing thinking, and the perceived need to be right. Don't get stuck; allow your thinking to shift in various directions. Record the list of

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awards become more meaningful and are in addition to the 2% increase for all employees who meet expectations.

Can employees now expect this increased compensation for FY 2004-05 and to see this as the final recommendation? Not necessarily. Under the Total Compensation Act, it is now up to the General Assembly to debate both the total funding level and whether it agrees with the recommended breakdown.

The General Assembly could reduce the total amount, increase the total amount, or determine a different mix. Legislators may also ask that DPA submit alternative mixes based on the \$44 million or some other amount. One thing employees can count on is that DPA will continue to strongly advocate for the total compensation necessary to offer a competitive package.

If you have further questions about the recommendation or the Total Compensation Act, contact Sue Huang at sue.huang@state.co.us.

brainstorm ideas. It may help to take a break (even up to a full day when possible) before coming back to the list to refine the ideas into possible solutions. Now generate, develop, and write down a multitude of feasible solutions. Never settle for the first solution that appears workable. If the solution applied is less than effective, revisit the list and apply another option. This can be a welcome timesaver!

From the list of possible solutions prioritize, categorize, and plan how and when to apply the solution(s) chosen. Consider consequences and outcomes, thinking as far ahead as possible using different applications, much as you would strategize in a game of chess. Be certain that your final decisions are in harmony with values, goals and vision, whether personal, or in representation of your department. Develop a plan of action including a written timeline.

And what if mistakes surface after the solution is applied? Ideally the first solution will be the best fit, case closed. But if not, treat the mistake(s) the same as you would the original problem: assign new meaning; change your way of thinking - turn a potentially negative issue into a positive outcome. Mistakes are not failures, but serve to reinforce our pledge to quality. By going back to the drawing board, utilizing the work already done (and recorded), we can apply another solution, and

in doing so we reaffirm our plan and goal. The primary concern is to recognize and address our mistakes as early as possible.

When working in a group, it may prove effective to enlist one individual to monitor time, another to staying on task, and another to record. It is also helpful to have a visual record for the group to refer to during the discussions. Balance the content of the issue with the process of working toward solutions, with the bulk of time focused on solutions. Steer conversation away from complaints that exhaust and deplete energy to ideas and solutions that energize and facilitate creativity. By reframing the way we think about problems, and by emphasizing solutions over analysis of the problem, we can choose a positive and effective approach towards solutions.

Managers and supervisors might adjust this model to apply to problems concerning individual employees, department concerns, or complex agency matters. The Colorado State Employee Assistance Program (C-SEAP) is available to assist with this type of process, and also provides consulting, coaching, as well as individual and group services. Contact C-SEAP at 1-800-821-8154 for more information.

Resources and further information may be found at www.FallingAwake.com.